

PECFA UPDATE #34 MAY 16, 2008 PLEASE POST

Forthcoming Usual & Customary Cost Schedule (UCCS) Update and UCCS Task Clarifications

The Department is currently in the process of updating the Usual & Customary Cost Schedule. The next UCCS will be #4 and is anticipated to be effective July 2008.

Task Clarifications

Important clarifications for activities under the UCCS are listed below. These changes will be implemented immediately.

Task 1 – Groundwater Sampling

This is a clarification of intent regarding the use of activity GS 10 for the sampling of dissolved oxygen (DO). We are finding that activity GS 10 is being applied every time DO is sampled, essentially every groundwater sampling event. This is not the intent of GS 10. Activity GS 10 was designed with the intent that the DNR **Guidance on Natural Attenuation for Petroleum Releases** - RR614 would be followed. Reference to this guidance can be found in the Descriptions, third paragraph in Task 1. It recommends an annual sampling of specified NA parameters, which includes DO. Keeping with the intent of the code, GS10 may only be utilized once per year and will only be reimbursed once per year. It contains labor costs to collect all recommended NA parameters and filter equipment and supply costs for those samples that require filtering.

Task 7-Regulatory Correspondence

Costs for regulatory correspondence, will no longer be included in cost cap approvals. Due to the inconsistent and unpredictable nature of the activity, costs will now be reimbursed at the time of claim review with submittal of proper supporting documentation. The reimbursement maximum of 12 per year will be enforced.

Phone calls or brief emails are not considered regulatory correspondence under Task 7 and will not be reimbursed. When using email to correspond about a site or specific subject all questions and clarifications should be stated within the initial correspondence. Multiple one- or two-line emails to gain clarification of the original subject are not considered additional regulatory correspondence and will not be reimbursed.

Please see the specification for Task 7 to see what constitutes an eligible regulatory correspondence cost.

Task 9 - Investigation Workplan Preparation

The following is the actual description language that can be found in volume 3 of the UCCS descriptions document.

Task 9 - This task will include document preparation costs, which will include, but is not limited to, site background review, investigation scope of services, health and safety plan, tables, diagrams, and maps, and sampling protocol. Only one work plan will be reimbursed per site (source property). This document is to contain detailed descriptions of the site and the activities that are to take place. The format and content of this report must conform to chs. NR 716.07 and 716.09.

This task will be reimbursed for a complete report only. Additional costs to remedy omissions or corrections for this document are not eligible.

We have recently denied costs in several claims in which the full amount for Task 9 has been submitted for reimbursement for the preparation of an investigation work plan. As we state in the last full sentence in the first paragraph of the Task 9 description "*The format and content of this report must conform to chs. NR 716.07 and 716.09.*" A one or two page letter of correspondence does not satisfy this requirement and certainly does not justify the charges. In order to receive the maximum reimbursement for this Task the work plan must satisfy this requirement. We have, and will continue to deny Task 9 for these letters of correspondence. We do however allow Task 7 – Regulatory Correspondence.

Task 10 - Initial Site Survey – Features and Well Elevations

This task can be performed by the consultant or a third party commodity service provider. If the initial survey is performed by the consultant both Activity IS05 (consultant coordination) and Activity IS10 (commodity service) can be charged.

Task 28-Standardized Invoice

Activity SI05 (standardized invoice), is applicable only when a scope of work is required to follow the Usual & Customary Cost Schedule. This includes work for site investigations, bid waivers or bid deferrals. Work approved through the public bidding process, including any subsequent change orders, does not require the use of a standardized invoice and costs for submittal will not be reimbursed.

A consultant or commodity provider may complete standardized invoices; however, the cost of completing the invoice may only be reimbursed if the consultant or commodity provider has charged the claimant for doing so.

Claims without supporting U&C documentation

The UCCS is now 2 years old and the claim review section continues to see claims come in without the proper documentation supporting the U&C Tasks claimed. **In order to avoid having the costs denied all claims submitted where the UCCS applies must have the supporting documentation either attached to the invoice on which the task is claimed, or clearly marked and identified in the reports.**

In addition, documentation for work performed must coincide with the effective schedule dates in which you are claiming costs. For example: If work was performed when Schedule 1 was in effect, you are not allowed to charge the amounts listed on Schedule 3. Please be sure to use the corresponding standardized invoice when submitting those costs. **Again, the effective dates of the UCCS & UCSI are based on when the work is actually performed.**